

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 418
 SPONSOR: Senator Bullard
 SUBJECT: Child Support Enforcement
 DATE: December 19, 2003 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Dowds</u>	<u>Whiddon</u>	<u>CF</u>	<u>Favorable</u>
2.	_____	_____	<u>JU</u>	_____
3.	_____	_____	<u>AGG</u>	_____
4.	_____	_____	<u>AP</u>	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

Senate Bill 418 amends the child support enforcement program law in ch. 409, F.S., to remove the designation of “demonstration project” from the Manatee County and Miami-Dade County child support enforcement programs. With this bill, these programs are considered local solutions to providing child support enforcement services. The local providers for the Manatee County and Miami-Dade County programs are required to operate under a cost reimbursement contract with the Department of Revenue and abide by all state and federal requirements.

This bill substantially amends section 409.2557 of the Florida Statutes.

II. Present Situation:

Florida’s statewide child support enforcement program was created in 1975. Initially, the Department of Health and Rehabilitative Services was assigned the overall responsibility for administering the state’s child support enforcement program, but in 1994, the administration of the program was shifted to the Department of Revenue. The child support enforcement services provided by the Department of Revenue include locating parents, determining paternity of children, establishing court orders for payment of support, initiating enforcement action when parents fail to comply with their support obligations, collecting support, and distributing the funds to custodial parents.

In 1985, the Legislature created three child support enforcement demonstration projects. The Office of Program Policy Analysis and Government Accountability (OPPAGA) report *Child Support Enforcement Demonstration Projects Show Mixed Results, But Should Be Continued*, issued in January 1999, explained that these demonstration projects each provided for the consolidation of services under a single governmental entity and were established to address

concerns identified relative to “administrative fragmentation, inconsistencies in enforcement services, delays in providing services, and the cost-effectiveness of different agencies providing child support services.” Specifically, ch. 85-178, L.O.F., directed the Department of Health and Rehabilitative Services to fund three comprehensive child support enforcement demonstration projects in the locations and with the administrative structures as described below:

- In Dade County to be administered by the state attorney for the eleventh judicial circuit,
- In Manatee County to be administered by the clerk of the circuit court, and
- In Palm Beach County to be administered by the Department of Health and Rehabilitative Services.

Each demonstration project was required to provide all of the services stipulated in Florida’s state Title IV-D plan, to meet all federal and state reporting requirements, and to be subject to review and audits by Title IV-D state and federal officials. Funds for the Dade County and Manatee County demonstration projects were to be provided on a cost reimbursement basis under contract with the state Title IV-D agency.

The child support enforcement services in Miami-Dade and Manatee counties continue to be operated by the state attorney of the eleventh judicial circuit and the clerk of the court respectively. The Department of Revenue now administers the Palm Beach County child support enforcement program in the same manner as it operates the program in the other 65 counties. The Manatee County clerk of the circuit court and the Miami-Dade County state attorney provide the same general child support enforcement services as the Department of Revenue. The November 2000 OPPAGA Progress Report: *Child Support Enforcement Demonstration Projects Continue to Show Mixed Results*, reported that the only significant differences between the department’s operation and that of the Miami-Dade County and Manatee County programs are as follows:

- Provision of legal services: The legal support for the child support activities conducted through the department is provided by contracts with private attorneys and the Office of Attorney General. Miami-Dade County and Manatee County, on the other hand, use their own staff to provide this service.
- Organization of the child support function: The department has organized its delivery of child support services using a process management system which utilizes teams with specialized knowledge to handle distinct tasks for each case such as opening a case, locating the non-custodial parent, and establishing paternity. Miami-Dade County is using this same process management model. However, Manatee County uses a caseworker model which assigns a caseworker to a child support case with that caseworker handling most of the tasks from establishment to enforcement of the child support order.

Each of these demonstration projects operates pursuant to a contract with the Department of Revenue. These are cost reimbursement contracts with performance targets and the ability of the department to require corrective action if performance targets are not met. Below is a comparison of the performance of the department, Miami-Dade County, and Manatee County on the federal incentive measures.

Federal Incentive Measures	Dade FFY 01-02	Dade FFY 02-03	Manatee FFY 01-02	Manatee FFY 02-03	DOR FFY 01-02	DOR FFY 02-03
Cases with Support Orders	52.9%	56.7%	62.5%	71.7%	67.1%	70.5%
Collections on Current Support	59%	59%	60%	59.3%	56%	56%
Collections on Arrears	60.4%	63.9%	65.5%	65%	63.1%	64.6%

The Office of Program Policy Analysis and Government Accountability recommended in both its January 1999 report and its November 2000 progress report that Florida law be amended to reflect that these projects are not demonstration projects but local solutions to providing child support enforcement services.

III. Effect of Proposed Changes:

Senate Bill 418 amends the child support enforcement program law in ch. 409, F.S., to remove the designation of “demonstration project” from the Manatee County and Miami-Dade County child support enforcement programs. With this bill, these programs are considered local solutions to providing child support enforcement services. The local providers for the Manatee County and Miami-Dade County programs are required to operate under a cost reimbursement contract with the Department of Revenue and abide by all state and federal requirements.

Specifically, SB 418 amends s. 409.2557, F.S., to stipulate that the child support demonstration projects created with ch. 85-178, L.O.F., and still in operation as of January 15, 2003 (i.e., the Manatee County and Miami-Dade County child support enforcement programs) are no longer demonstration projects but local solutions to providing child support enforcement services in those counties. The Department of Revenue is directed to continue to fund these programs through a cost reimbursement contract. The local providers of the Manatee County and Miami-Dade County child support enforcement programs are required to comply with all state and federal requirements, specifically, all state and federal reporting requirements and policies, service mandates provided for in the state’s Title IV-D state plan, and any reviews or audits conducted by state or federal Title IV-D program officials. The Department of Revenue is authorized to withhold funds or terminate the contract if the local providers fail to comply with the Title IV-D program requirements. The bill specifies that the Department of Revenue retains the responsibility for ensuring that the Title IV-D required services are provided pursuant to federal and state laws.

This bill takes effect upon becoming law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The Department of Revenue has not identified a fiscal impact for this bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.